



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 25, 2007

TO: Mayor and Councilmembers

FROM: Business & Properties Division, Airport Department

SUBJECT: Introduction Of Ordinance For Airport Parking Management Agreement Amendment

RECOMMENDATION: That Council:

- A. Approve and authorize the Airport Director to execute, subject to approval of the City Attorney, an Amendment to the Parking Management Agreement between the City of Santa Barbara and Ampco System Parking (Ampco), a California corporation, dated November 1, 2007, amending the "SCOPE OF SERVICES," "TERM," and "MANAGEMENT FEE" provisions and adding Exhibit D;
- B. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving an Amendment to the Parking Management Agreement Between the City of Santa Barbara and Ampco System Parking Dated November 1, 2007, Amending the Scope of Services, Term, and Management Fee Provisions for the Operation of the Santa Barbara Airport Public Parking Facilities; and
- C. Authorize a reallocation of appropriated Airport capital project funds totaling \$371,970 for the acquisition of new parking revenue control equipment from the Security Access Control project, which will be funded with FAA grant funds.

DISCUSSION:

Background

In 2001, following a competitive Request for Proposal process, Ampco System Parking was awarded a Management Contract to operate and manage the Airport public parking facilities. Ampco currently operates at 52 airports, 1400 retail/commercial and 325 multi-purpose locations. Ampco has consistently operated the Airport parking lots in a professional and responsive manner. Their standard of excellence for customer service resulted in the local manager being chosen as Manager of the Year for all locations in 2006. Ampco's contract expires October 31, 2007.

REVIEWED BY: _____ Finance _____ Attorney

Agenda Item No. _____

At this time, the parking operation faces several challenges: an anticipated \$250,000 annual increase in budgeted labor costs with implementation of the living wage, aging equipment that has become obsolete and difficult to maintain; and the relocation of short-term parking and associated equipment during construction of the new Airline Terminal. The Terminal project will impact the parking operation beginning in the fall of 2008 and is expected to last approximately two years.

The parking operation at the Airport is not considered a concession and therefore the Federal Aviation Administration does not require a competitive bid process. Based on Ampco's demonstrated expertise and familiarity with the Airport's parking system, the proposed amendment will extend the term through the Airline Terminal Improvement project and include a provision for the replacement of the obsolete revenue control parking equipment.

Proposed Operational Changes

Recognizing that the obsolete parking equipment needed to be replaced prior to the completion of the Airline Terminal Improvement project, AMPCO was requested to solicit proposals for state of the art equipment for the Airline Terminal short and long-term parking lots. Through a competitive process three proposals were received. Integrated Access Systems Inc. was selected based on the quality and design of the equipment, ease of repair and maintenance, service support offered by the vendor, and cost. A detailed report on the equipment selection and installation process is attached for your consideration.

The purchase of the new equipment will improve operational efficiency and provide customer service enhancements. Customer service enhancements will include a variable message system with lot count signage in Long Term Lot No.1 so that customers know how many spaces are available. Long Term Lot No.1 will also have a reversible exit lane to facilitate exiting during peak periods.

Improving the ease and time it takes to exit the lots will be the primary purpose of one "pay on foot" kiosk located in each baggage claim area. After parking their vehicle, customers who take their parking ticket with them may "pre-pay" for parking upon their return using cash or a credit card at one of the "pay on foot" machines in baggage claim. They then have a grace period to go to their car and exit the lot putting their pre-paid parking ticket in the exit dispenser.

Customers will also be able to pay at the exit dispenser by inserting their parking ticket and cash or credit card. Many airports are now using this technology, which expedites cars exiting the parking lots and assists with reducing operating costs. While there will not be an attendant taking payment at the exit booths there will be Ampco employees on site to assist with any problems that arise. There will be instructional signage to guide the customer through each step for payment and exiting the parking lot.

Some of the operational benefits of the new equipment will be improved revenue control, a license plate recognition inventory system to replace the current manual inventory, the ability to reverse the exit lane in the Long Term Parking Lot during peak periods, and the latest technology for the data communication systems, pay fee computers, wireless intercom systems, and computer work stations for the parking management office.

Proposed Amendment

Amendments to the Parking Management Agreement include:

Section II – “Scope of Services, Paragraph H, “EQUIPMENT” will be deleted and a new paragraph substituted enabling the City to reimburse Ampco for the actual cost of installation and construction of new revenue control equipment, as specified in Exhibit “D”, in an amount not to exceed \$405,000.

Section III – “TERM” of Agreement No. 20,423 will be amended to add a second optional term of four years, beginning November 1, 2007 and ending October 31, 2011.

Section IV – “MANAGEMENT FEE,” will be amended to provide for the annual management fee to remain at \$36,000 through June 30, 2008 and increase to \$39,000 on November 1, 2008 for each year remaining in the option period. A one-time consulting fee of \$10,000, payable upon installation of the new equipment, will be added for Ampco’s services in supervising the purchase and installation of the new revenue control equipment.

BUDGET/FINANCIAL INFORMATION:

Funding for the equipment is proposed by reallocating appropriated Airport capital project funds including \$371,970 from the Security Access Control project, which will be funded with FAA grant funds. The one-time consulting fee of \$10,000 can be accommodated in the current Parking budget.

Airport Commission has reviewed the proposed Amendment and recommends approval.

ATTACHMENT: Airport Public Parking Revenue Control Equipment Replacement Project

PREPARED BY: Hazel Johns, Assistant Airport Director

SUBMITTED BY: Karen Ramsdell, Airport Director

APPROVED BY: City Administrator's Office